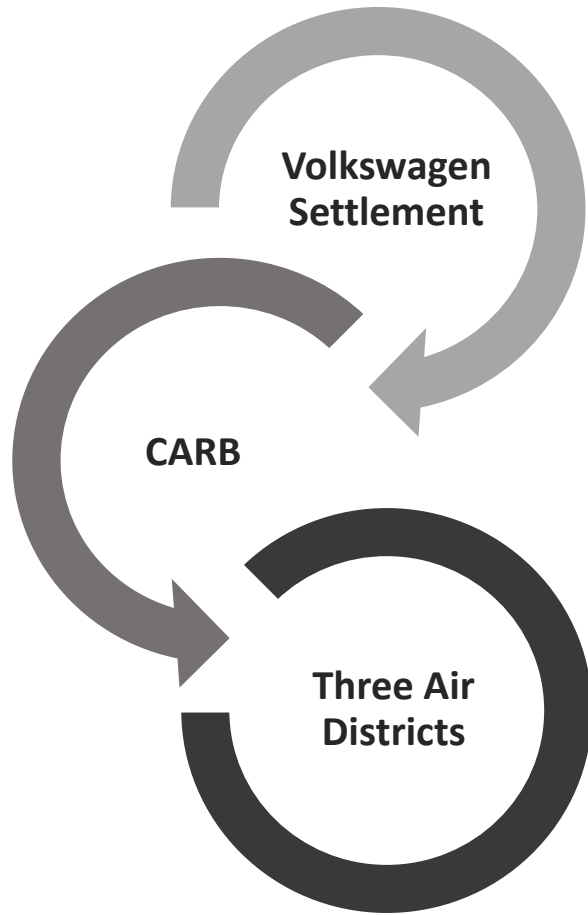


Statewide Funding Combustion Freight and Marine Projects 2nd Solicitation

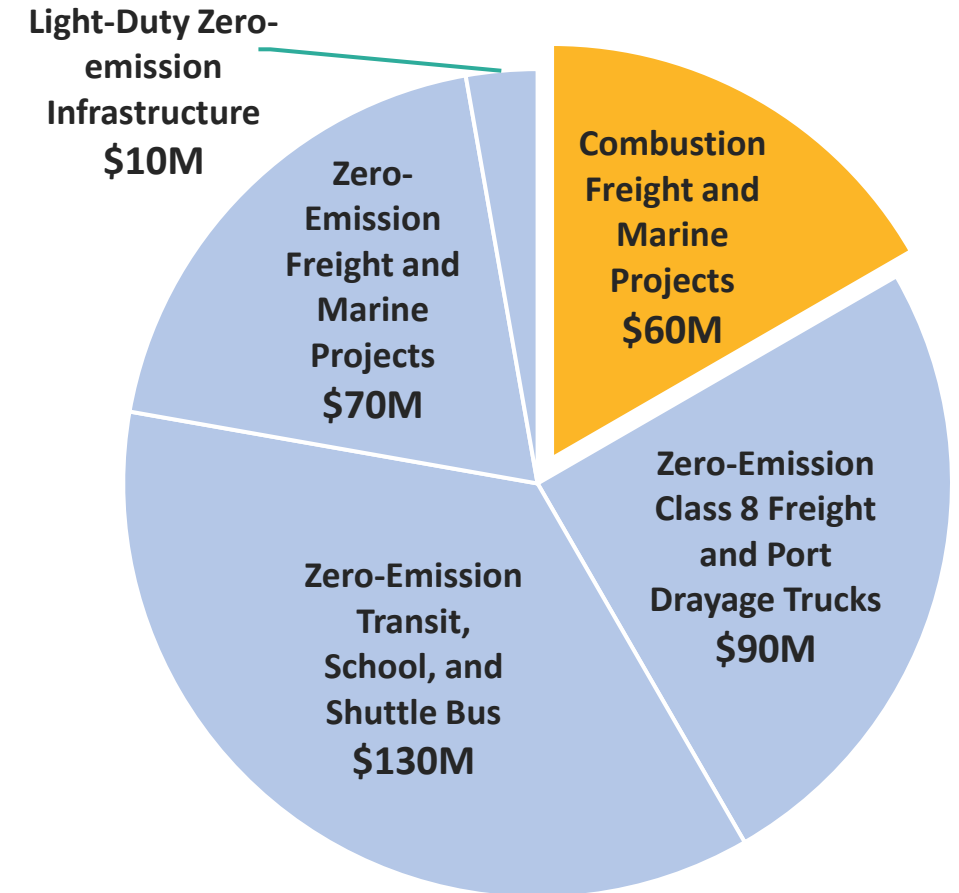


Administered by:
South Coast AQMD

VW Mitigation Funds for California



- VW Mitigation Trust
- Consent Decree
- Lead Agency
- Beneficiary Mitigation Plan
- Five Funding Categories
- Program Administrators
 - South Coast AQMD
 - San Joaquin Valley APCD
 - Bay Area AQMD



Combustion Freight and Marine Projects – 2nd Solicitation

- Applications Accepted Beginning June 22, 2021, at 1:00 PT
- First-Come, First-Served - Statewide Solicitation



**Class 7 or 8 Freight
Trucks**



**Freight Switcher
Locomotive**



**Ferry, Tugboat,
Towboat**

Key Program Information

Total VW Funds Allocated: \$60 million

First Installment: \$30 million, of which \$4 million has been awarded. This 2nd solicitation is for \$26 million.

Statewide program for public and private entities

Replace or repower to cleanest commercially available internal combustion or hybrid technologies

At least 50% of funds are expected to be used for projects that benefit disadvantaged or low-income communities

Additional Program Information



Web-based
Application
Portal



Legal Owner or
Engine
Manufacturer



Third Party/
Consultant
Assistance

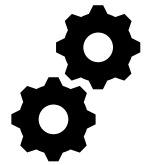


No 'work' until
contract
executed



Out-of-state
IRP eligible

General Operation Requirements



Operation

- At least 75% of the time operated in CA during the past 12 months
- New vehicle/equipment must operate in CA for at least 75% of the time during the contract term (3 years)
- Freight Trucks – Existing truck must operate a minimum of 20,000 miles/year
- Waste Haulers – Existing waste hauler must operate a minimum of 10,000 miles/year

General Eligibility Requirements



Inspections

- Old and new vehicle/equipment/engine will need to be made available for inspections



Compliance

- Must be in compliance with applicable state and federal rules and regulations



Scrapping

- The old vehicle/equipment/engine must be scrapped

General Funding Information

No more than \$3.0 million per entity
(Determined by tax ID)



Can't stack funds with other funds implemented by CARB
(e.g., HVIP, Carl Moyer, etc.)



Potential fund leveraging with local funds or other funding
sources not claiming NOx reductions

Funding & Eligibility Table –

Non-Government Owned Equipment

Equipment Type	Baseline Technology	Replacement Technology	Project Type	Maximum Incentive Percentage (of cost)	Maximum Incentive Cap (per equipment)
Class 7 & 8 Freight Trucks, Drayage Trucks, Waste Haulers, Dump Trucks, & Concrete Mixers	Engine Model Years 1992-2012*	Low NOx (certified at 0.02 g/bhp-hr)	Replacement	25% (or 50% for Class 8 Port Drayage)	\$85,000
			Repower	40%	\$35,000
Freight Switcher Locomotive	Pre-Tier 1	Tier 4	Replacement	25%	\$1,350,000
			Repower	40%	
Ferry, Tugboat, & Towboat	Pre-Tier 3	Tier 4, or Hybrid w/ Tier 4-equivalent NOx emissions	Repower	40%	\$1,000,000

*Must comply with all applicable rules and regulations until time of replacement

Funding & Eligibility Table – Government Owned Equipment

Equipment Type	Baseline Technology	Replacement Technology	Project Type	Maximum Incentive Cap (per equipment)
Class 7 & 8 Freight Trucks, Drayage Trucks, Waste Haulers, Dump Trucks, & Concrete Mixers	Engine Model Years 1992-2012*	Low NOx (certified at 0.02 g/bhp-hr)	Replacement	\$85,000
			Repower	\$50,000
Freight Switcher Locomotive	Pre-Tier 1	Tier 4	Replacement	\$1,350,000
			Repower	
Ferry, Tugboat, & Towboat	Pre-Tier 3	Tier 4, or Hybrid w/ Tier 4-equivalent NOx emissions	Repower	\$1,000,000

*Must comply with all applicable rules and regulations until time of replacement



Eligible Trucks & Technology Option

Class 7 & 8

Freight Trucks

Drayage Trucks

Waste Haulers

Dump Trucks

Concrete Mixers

Replace or Repower

GVWR

- Class 7: 26,001- 33,000 lbs
- Class 8: 33,001+ lbs

Old Engine Model Year

- 1992-2012*

*Must comply with all applicable rules and regulations until time of replacement

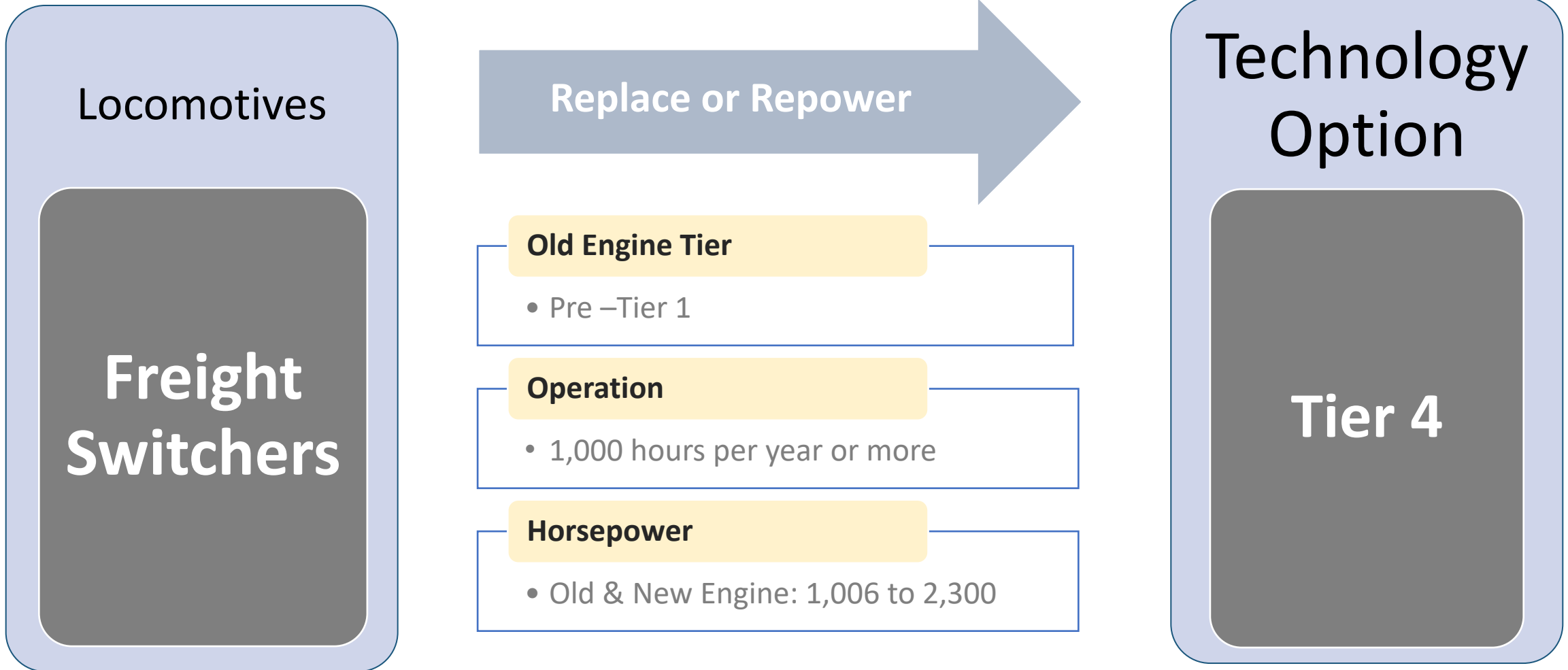
Technology Option

Low NOx

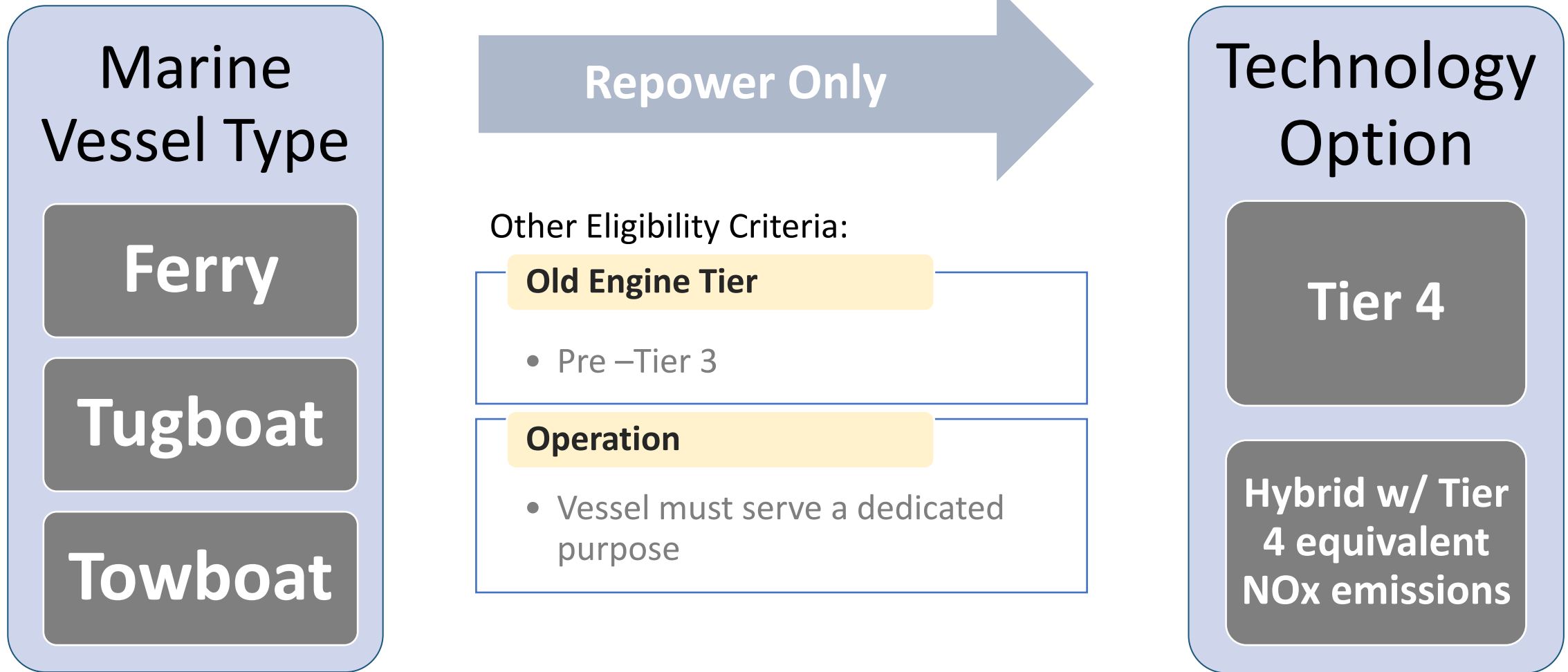
(0.02 g/bhp-hr or lower)



Eligible Locomotives & Technology Option



Eligible Marine Vessels & Technology Option





Truck Funding Caps

		<u>Government</u>	<u>Non-Government</u>
Replacement	Maximum Percentage of Vehicle Cost	100%	25%
	Maximum Funding per Vehicle	\$85,000	50% (Class 8 Drayage only) \$85,000
Repower	Maximum Percentage of Vehicle Cost	100%	40%
	Maximum Funding per Engine	\$50,000	\$35,000

Locomotive Funding: Replacement or Repower



		<u>Government</u>	<u>Non-Government</u>
Replacement	Maximum Percentage of Project Cost	100%	25%
	Maximum Funding per Freight Switcher	\$1,350,000	\$1,350,000
Repower	Maximum Percentage of Project Cost	100%	40%
	Maximum Funding per Freight Switcher	\$1,350,000	\$1,350,000

Marine Funding: Repower Only



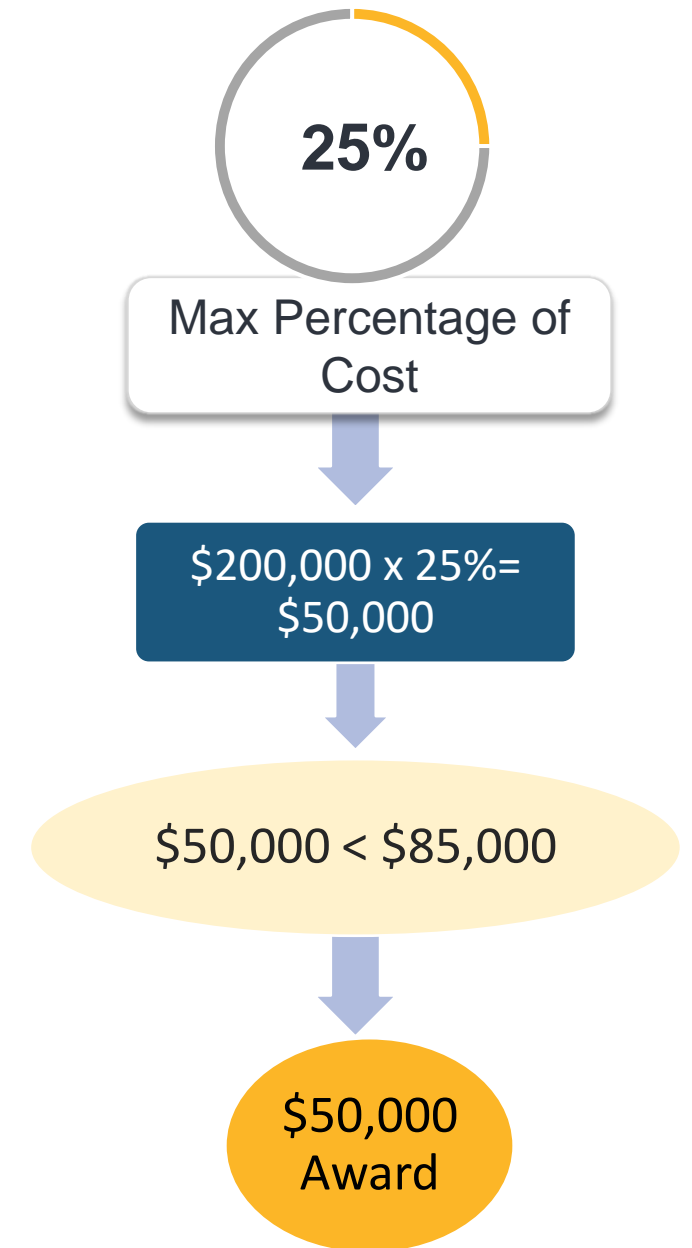
		<u>Government</u>	<u>Non-Government</u>
Repower	Maximum Percentage of Project Cost	100%	40%
	Maximum Funding per Vessel	\$1,000,000	\$1,000,000

How Funding Works – Example 1

Scenario:

- ✓ Class 8 Freight Truck
- ✓ Replacement
- ✓ Non-Government
- ✓ New Truck Cost \$200,000

Equipment Type	Project Type	Applicant Type	Maximum Percentage of Funding (of cost)	Maximum Funding Limit (per Vehicle)
Class 7 & 8 Freight Truck	Replacement	Non- Government	25% (or 50% for Class 8 drayage)	\$85,000
		Government	100%	

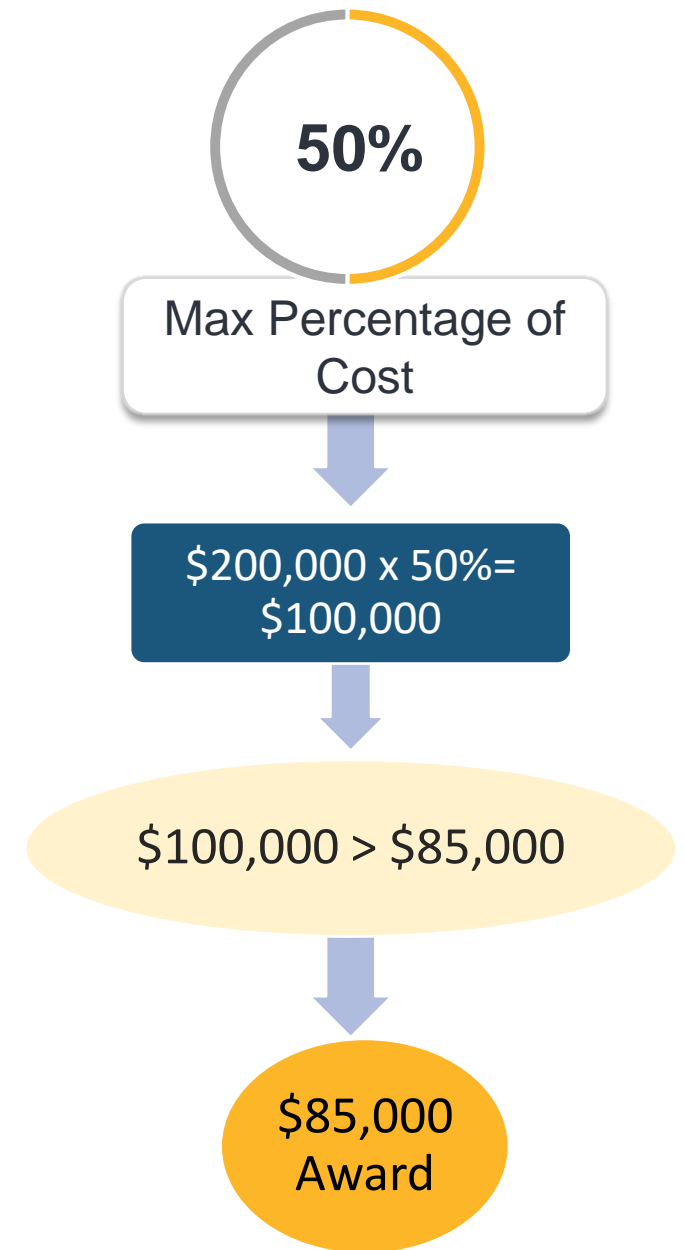


How Funding Works – Example 2

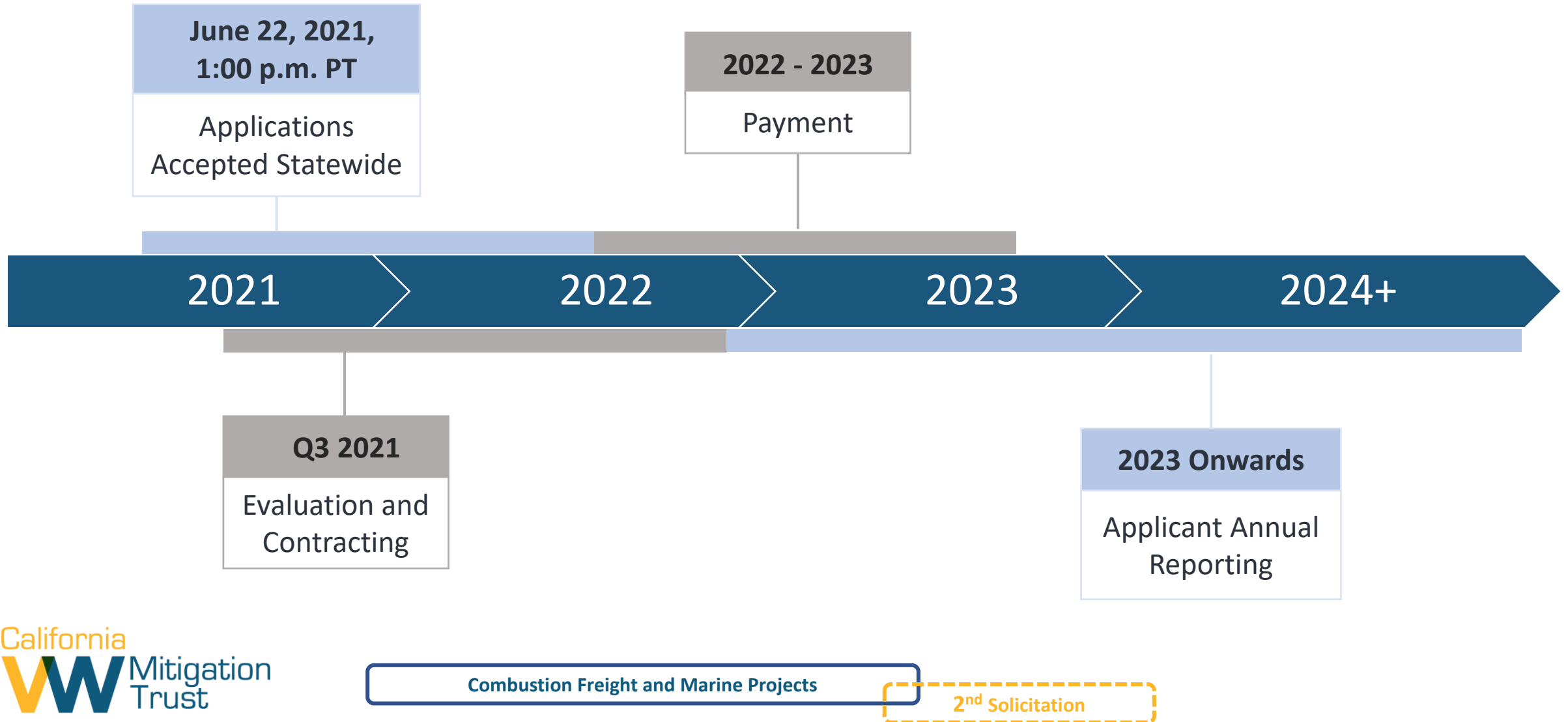
Scenario:

- ✓ Class 8 Freight Truck (Drayage)
- ✓ Replacement
- ✓ Non-Government
- ✓ New Truck Cost \$200,000

Equipment Type	Project Type	Applicant Type	Maximum Percentage of Funding (of cost)	Maximum Funding Limit (per Vehicle)
Class 7 & 8 Freight Truck	Replacement	Non- Government	25% (or 50% for Class 8 drayage)	\$85,000
		Government	100%	



Anticipated Timeline

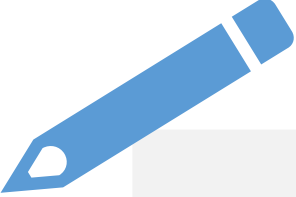


Basic Application Requirements

WHAT YOU'LL NEED

- ✓ Copy of title (or proof of ownership)
- ✓ Vehicle Registration
- ✓ Vendor Quote
- ✓ Insurance
- ✓ Existing and new vehicle/equipment/engine information
- ✓ Supporting photos and documentation
- ✓ 12 months of usage records

Evaluation and Contracting



Evaluation

- Eligibility
- Compliance Check
- NOx Reductions
- Project Award

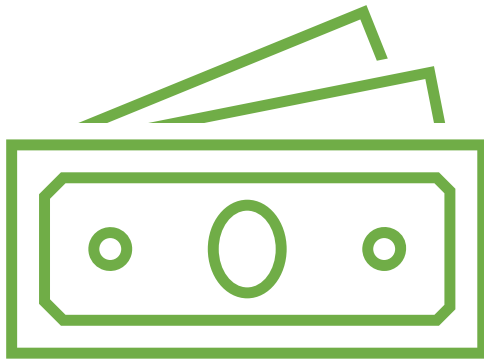


Contracting

- 3-year Contract
 - Milestones
 - Usage
 - Reporting
 - Recordkeeping
 - Inspections/Audit

Award Payment for Selected Applicant

Payment will be made
after verification of:



- ☒ Complete and valid invoice
- ☒ Eligibility and program requirements
- ☒ Vehicle/equipment placed into service
- ☒ Completion of inspections and proof of destruction of old vehicle/engine

Reporting and Recordkeeping

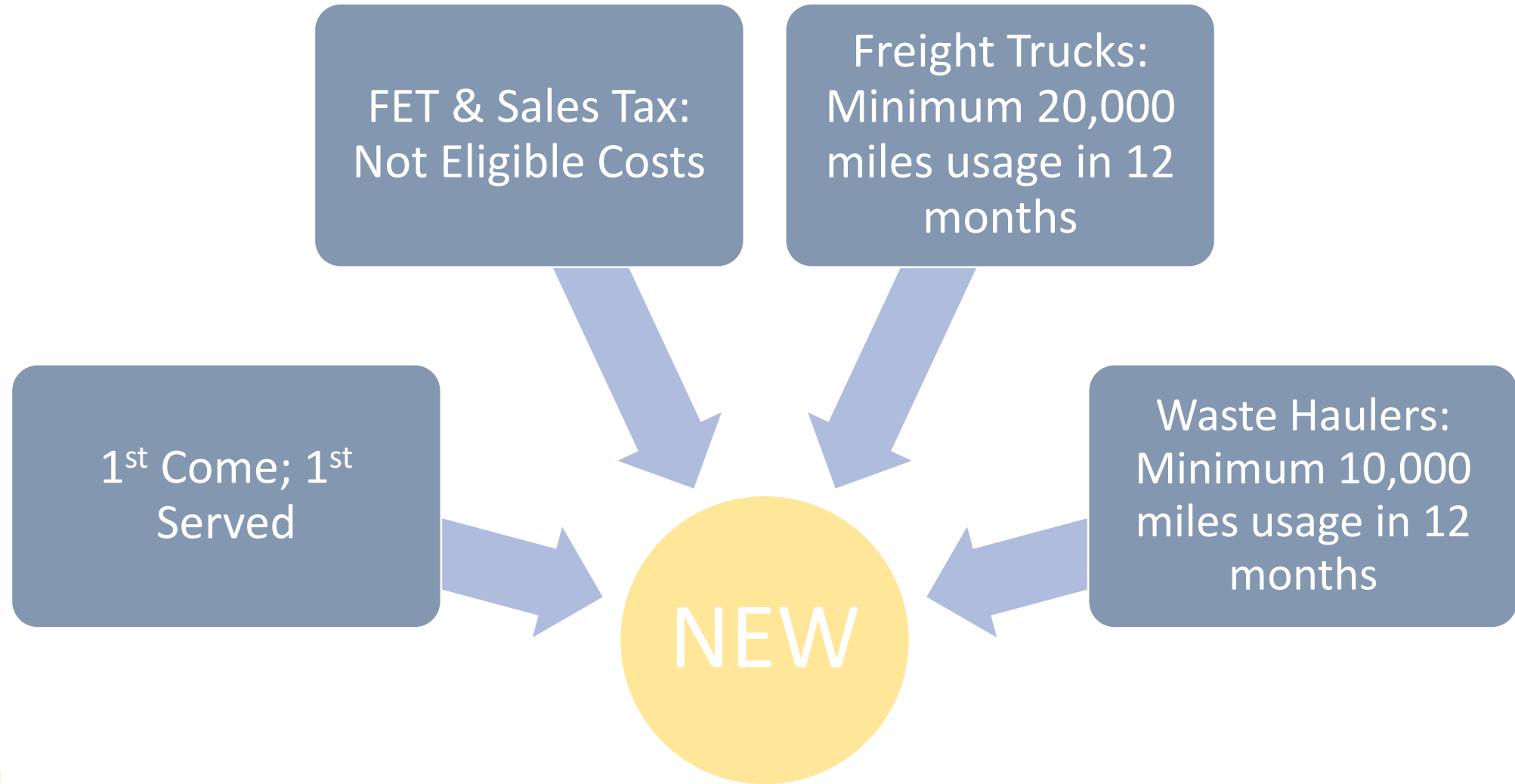
Contract
Executed

Submit Annual Reports for 3 yrs.

Keep All Records for 6 yrs.

Operate 75% in CA for Contract Term

Changes for this Solicitation



Contact Us



For more information, please visit:

<http://www.aqmd.gov/vw>



South Coast AQMD VW Funding



(833) 894-7267



vwfunds@aqmd.gov



Staff is available Tuesday to Friday from 7:30 am to 5:30 pm



Other Helpful Links

- [CA VW Landing Page](#)
- [CARB VW Website](#)
- [Consent Decree](#)
- [Beneficiary Mitigation Plan \(BMP\)](#)
- [California Map for Local Air District Websites](#)

Questions?

